

Washington State Auditor's Office
Audit Report

Central Klickitat Conservation District
Klickitat County

Audit Period
January 1, 1997 through December 31, 1999

Report No. 61928

Issue Date
January 26, 2001



Washington _____
State Auditor

Brian Sonntag

Audit Summary

**Central Klickitat Conservation District
Klickitat County
January 1, 1997 through December 31, 1999**

ABOUT THE AUDIT

This report contains the results of our independent audit of the Central Klickitat Conservation District for the period January 1, 1997, through December 31, 1999.

We performed audit procedures to determine if the District complied with state laws and regulations and its own policies and procedures. We also audited the financial statements and evaluated internal controls established by District management. Our work focused on specific areas that have potential for abuse and misuse of public resources.

RESULTS

The District significantly complied with state laws and regulations and its own policies and procedures in the areas we examined. We also audited the financial statements and evaluated the internal controls established by District management.

Table of Contents

**Central Klickitat Conservation District
Klickitat County
January 1, 1997 through December 31, 1999**

Description of the District	1
Audit Areas Examined	2
Audit Overview	3
Independent Auditor's Report on Compliance with State Laws and Regulations	4
Independent Auditor's Report on Financial Statements	5
Financial Statements	6

Description of the District

Central Klickitat Conservation District Klickitat County January 1, 1997 through December 31, 1999

ABOUT THE DISTRICT

The Central Klickitat Conservation District is dedicated to maintaining Central Klickitat County's renewable natural resources. The District is bordered by Yakima County in the north, Rock Creek in the east, Skamania County in the west and Columbia River in the south. A five-member Board of Supervisors administers the District. Citizens in the District elect three Board Members. The State Conservation Commission appoints two other Board Members.

The District operated with an annual revenue base of approximately \$93,400 in 1999, which came primarily from State Conservation Commission grants. The District had two permanent part-time employees during 1997 through 1999. One permanent full-time engineer, and one temporary, full-time technician partly funded by Central Klickitat, Eastern Klickitat and the Department of Ecology, through the Washington Job Corps, were hired in 2000.

ELECTED/APPOINTED OFFICIALS

These officials served during the audit period:

Board of Supervisors:

Chair	David Barta
Vice Chair	Sally Amery
District Auditor	Jim Sizemore
	Jill Hill
	Colin Bennett

Administrative Staff:

District Manager	David Clayton
Office Manager	Carmel Campbell
Engineer	Paul Cleary
Technician	Greg Fahlenkamp

ADDRESS

District	1107 South Columbus Avenue Goldendale, WA 98620-9296 (509) 773-5823 Extension 5
----------	---

Audit Areas Examined

Central Klickitat Conservation District Klickitat County January 1, 1997 through December 31, 1999

In keeping with general auditing practices, we do not examine every portion of the Central Klickitat Conservation District's financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are audited on a rotating basis over the course of several years. The following areas of the District were examined during this audit period:

LEGAL COMPLIANCE

We audited the following areas for compliance with certain applicable state and local laws and regulations:

- Conflict of interest
- Water Quality Grant Program
- Open Public Meetings Act

INTERNAL CONTROL

We evaluated the following areas of the District's internal control structure:

- Cash receipts
- Payroll
- Treasurer's checking account
- Purchase of goods and services

FINANCIAL AREAS

In addition to the financial-related work listed in other categories, we audited the following areas:

- Overall presentation of the financial statements
- Revenues
- Cash and investments
- Expenditures

Audit Overview

Central Klickitat Conservation District Klickitat County January 1, 1997 through December 31, 1999

AUDIT HISTORY

We audit the Central Klickitat Conservation District every three years. The past two audits of the District have reported no findings.

District officials have taken steps in the past to make improvements and correct conditions noted in prior audits. We believe this reflects the District's commitment to maintain an efficient operation.

CONCLUSIONS

In the areas examined, we found the District complied with state laws and regulations and its own policies and procedures. We also found the District's financial statements were accurate and complete.

We appreciate the District's commitment to ensure compliance with conditions reported this audit. We thank District officials and personnel for their assistance and cooperation during the audit.

Independent Auditor's Report on Compliance with State Laws and Regulations

Central Klickitat Conservation District Klickitat County January 1, 1997 through December 31, 1999

Board of Supervisors
Central Klickitat Conservation District
Goldendale, Washington

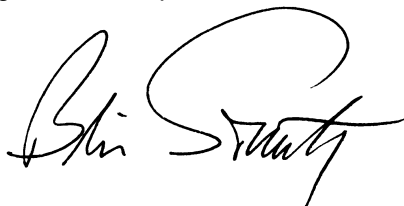
We have audited the financial statements of the Central Klickitat Conservation District, Klickitat County, Washington, as of and for the years ended December 31, 1999, 1998 and 1997, and have issued our report thereon dated November 22, 2000.

We also performed tests of compliance with state laws and regulations as required by *Revised Code of Washington* (RCW) 43.09.260. This statute requires the State Auditor to inquire as to whether the District complied with the laws and the *Constitution of the State of Washington*, its own ordinances and orders, and the requirements of the State Auditor's Office.

Compliance with these requirements is the responsibility of the District's management. Our responsibility is to make a reasonable effort to identify any instances of misfeasance, malfeasance or nonfeasance in office on the part of any public officer or employee and to report any such instance to the management of the District and to the Attorney General. However, the objective of our audit of the financial statements was not to provide an overall opinion on compliance with these requirements. Accordingly, we do not express such an opinion.

The results of our tests indicated that, with respect to the items tested, the District complied, in all material respects, with the applicable laws and regulations referred to in the preceding paragraphs. With respect to items not tested, nothing came to our attention that caused us to believe that the District had not complied, in all material respects, with those provisions.

This report is intended for the information of management and the Board of Supervisors and to meet our statutory reporting obligations. This report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



BRIAN SONNTAG, CGFM
STATE AUDITOR

November 22, 2000

Independent Auditor's Report on Financial Statements

Central Klickitat Conservation District Klickitat County January 1, 1997 through December 31, 1999

Board of Supervisors
Central Klickitat Conservation District
Goldendale, Washington

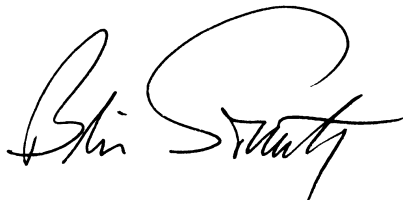
We have audited the accompanying financial statements of the Central Klickitat Conservation District, Klickitat County, Washington, for the years ended December 31, 1999, 1998 and 1997. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1 to the financial statements, the District prepares its financial statements on the cash basis of accounting that demonstrates compliance with Washington State statutes and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the recognized revenues and expenditures of the funds of the Central Klickitat Conservation District for the years ended December 31, 1999, 1998 and 1997, on the cash basis of accounting described in Note 1.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedules of Expenditures of State Awards are presented for purposes of additional analysis. These schedules are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the financial statements taken as a whole.



BRIAN SONNTAG, CGFM
STATE AUDITOR

November 22, 2000

Financial Statements

Central Klickitat Conservation District Klickitat County January 1, 1997 through December 31, 1999

FINANCIAL STATEMENTS

Resources and Uses Arising from Cash Transactions – 1999
Resources and Uses Arising from Cash Transactions – 1998
Resources and Uses Arising from Cash Transactions – 1997
Notes to Financial Statements – 1999, 1998 and 1997

ADDITIONAL INFORMATION

Schedule of Expenditures of State Awards – 1999
Schedule of Expenditures of State Awards – 1998
Schedule of Expenditures of State Awards – 1997
Notes to the Schedule of Expenditures of State Awards – 1999, 1998 and 1997